



California Public Utilities Commission

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FOR IMMEDIATE RELEASE

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PRESS RELEASE

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CPUC SEES GROWTH OF CALIFORNIA LIFELINE PROGRAM AFTER MODERNIZATION TO INCLUDE WIRELESS

SAN FRANCISCO, June 19, 2014 - The California Public Utilities Commission (CPUC) today said that in just a few months following its decision to modernize and expand the California LifeLine Program to include savings on cell phone services, more than 51,000 low income households have signed up for California LifeLine wireless telephone services, and at least 37,466 additional customers are served through Voice over Internet Protocol (VoIP). In January 2014, the CPUC gave Californians the option of having California LifeLine wireless telephone service to connect to employers, schools, businesses, and social services through voice, text, or data.

California LifeLine provides discounted telephone services to qualified households. The CPUC's January decision (D.14-01-036) continued its effort to promote competition and to allow consumers to receive the California LifeLine discounts from an approved Lifeline provider of their choice. Since 1997 the CPUC has had policies in place that allow any certificated carrier to participate in the California LifeLine Program. In November 2010, the CPUC reaffirmed this policy and practice by clarifying that any certificated service provider that complies with the rules may offer California LifeLine discounts to qualified consumers, including certificated carriers that provide California LifeLine services in whole or in part using VoIP.

In 2012 and 2013, Astound Broadband, Charter Fiberlink CA-CCO, and Cox California Telecom received almost \$16 million from California LifeLine. By the end of May 2014, Astound, Charter, and Cox had had a combined total of 37,466 California LifeLine customers served via VoIP (other providers may also offer LifeLine via VoIP, increasing that number).



Consistent with the CPUC's effort to maximize and expedite participation of service providers in the California LifeLine Program, by March 2014 the CPUC approved the first ever California LifeLine wireless telephone service provider, and since that time, the program has experienced monthly increases in participation attributable to the demand for California LifeLine wireless telephone services. Economic opportunities for this vulnerable population and for the California LifeLine marketplace are real and tangible. "I am pleased that so many low income Californians now have affordable wireless phone plans thanks to California LifeLine," said Commissioner Catherine J.K. Sandoval, the Commissioner assigned to the California LifeLine proceeding.

The CPUC has approved two service providers to offer California LifeLine wireless telephone services, Telscape Communications, Inc. and Budget PrePay, Inc. As of May 2014, these two companies have a total of 51,142 households with California LifeLine wireless telephone services, which comprises five percent of the approximately 1.02 million households receiving the California LifeLine discounts. The CPUC anticipates further growth in program participation as it considers six pending requests from wireless telephone service companies applying to become California LifeLine providers.

Only one discount per household is allowed. Each household must choose to get the discount either on a home phone or on a cell phone, but not on both. Households also cannot get the discount from multiple phone companies. Households that do not follow the one discount per household rule lose their discounts.

For more information on California LifeLine, please visit www.californialifeline.com.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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